### CITY OF BELLEVUE CITY COUNCIL

#### Summary Minutes of Study Session

February 7, 2005 6:00 p.m.

Council Conference Room Bellevue, Washington

<u>PRESENT</u>: Mayor Marshall, Deputy Mayor Noble, and Councilmembers Balducci,

Chelminiak<sup>1</sup>, Davidson, and Degginger

ABSENT: Councilmember Lee

#### 1. Executive Session

At 6:00 p.m., Deputy Mayor Noble opened the meeting and announced recess to Executive Session for approximately 40 minutes to discuss three items of potential litigation.

The meeting resumed at 7:10 p.m. with Mayor Marshall presiding.

### 2. Study Session

(a) Downtown Initial Implementation Land Use Code Amendments

Planning and Community Development Director Matt Terry opened staff's presentation regarding initial implementation of Downtown Land Use Code Amendments.

Kate Berens, Legal Planner, said additional amendments to the Downtown Land Use Code will be addressed in the future to fully implement the Downtown Implementation Plan update. The initial amendments include organizational changes, coordinating circulation requirements for pedestrians and vehicles, requiring vegetation along certain "auto-bias" streets, and code clarifications. Ms. Berens described a proposal to modify the classification of hotels in Old Bellevue to treat them as residential.

Ms. Berens reviewed amendments related to the new City Hall building and the adjacent Major Public Open Space and Pedestrian Corridor. The Pedestrian Corridor between Bellevue Square and the new City Hall contains three Major Public Open Spaces. The MPOS at the east end of the corridor, closest to the new City Hall, is currently 10,000 square feet. An amendment

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<sup>&</sup>lt;sup>1</sup> Mr. Chelminiak arrived at 6:15 p.m.

proposes to expand this to 30,000-37,000 square feet, based on a FAR (floor-area ratio) bonus. Ms. Berens displayed diagrams of the area and explained two proposed changes: 1) extend by one block the area within which the FAR bonus (earned by constructing a MPOS) can be transferred, and 2) increase the height (by 50 feet in some areas) to be gained by using the FAR bonus. She displayed schematic drawings and noted the limited visual impact of the proposed height increase.

Responding to Mr. Degginger, Mr. Terry said the increased building height will not cause increased shade on the MPOS site.

Responding to Dr. Davidson, Mr. Terry said granting a development bonus for pedestrian amenities, excluding sidewalks, is an amendment that could be considered by the City Council.

Responding to Mr. Chelminiak, Ms. Berens said there is currently not a limit on the length of time a construction site can continue to have chain link fencing. However, a time restriction could be imposed by Council.

## (b) Futurewise (1000 Friends) Appeal of Comprehensive Plan Update

Mr. Terry recalled previous discussions with Council regarding 1000 Friends' (now called Futurewise) interest in minimum density requirements. Futurewise would like Bellevue to adopt a minimum density of R-4, four units per acre, for residential property. Futurewise is currently appealing Bellevue's Comprehensive Plan to the Growth Management Hearings Board based on this issue.

Kathleen Burgess, Comprehensive Planning Manager, said staff has been working with 1000 Friends (Futurewise) since last fall. She noted that Growth Management Hearings Board members are appointed by the governor, and cases presented to the Board have been more complex than Futurewise implies.

Ms. Burgess explained that Bellevue covers 20,160 acres and contains 14,325 acres of residential zoned land. Of this, only 4,580 acres are zoned less than R-3.5 density. Of the 4,580 acres, 2,490 acres is occupied by public land, parks, cemeteries, and equestrian areas. Remaining land is either fully developed or located in critical areas (e.g., steep slopes, wetlands). A total of 230 acres represents either vacant land or land eligible for redevelopment.

Ms. Burgess said Bellevue has been meeting its growth targets since 1993. For the period of 1993 to 2003, the growth target for residential development was 436 housing units per year. However, the City actually authorized 659 housing units per year. Bellevue's overall residential density averages 4.7 units per acre, excluding the downtown which averages 100 units per acre. Ms. Burgess said the City is clearly exceeding the minimum density goal of four units per acre overall.

Ms. Burgess said staff met with Futurewise representatives following their testimony during the Planning Commission's public hearing. At that time, staff provided them with the information presented tonight and described Comprehensive Plan proposals, which have since been adopted,

to allow detached accessory dwelling units and pursue demonstration projects (e.g., cottage housing, duplexes). City staff indicated to Futurewise representatives that single-family housing is not likely to provide affordable housing. Staff further explained how the City is meeting both the letter and the intent of the Growth Management Act by exceeding growth targets.

As part of the Comprehensive Plan amendment process in November, Council added language regarding residential densities to the Land Use Element [Council packet, Page 2-18]. In late January the City offered to commit to finding new development capacity for 516 residential units, which is the unit capacity that would be attained if vacant and redevelopable sites were rezoned to a minimum of four units per acre. The City would determine where the additional residential capacity would be placed. The Futurewise Executive Board rejected the proposal and decided to appeal the adoption of the Comprehensive Plan update to the Growth Management Hearings Board.

Ms. Burgess presented the following three options for responding to the appeal:

- 1. Rezone all residential properties within Bellevue to a density of four or more units per acre.
- 2. Contest the appeal of the Comprehensive Plan before the Board.
- 3. Seek a legislative amendment to the Growth Management Act that would clarify the term "urban density" and not promote four units per acre as a rigorous standard.

Ms. Burgess noted the appeal could jeopardize Bellevue's transportation funding. Staff recommends alternatives 2 and 3.

Mr. Degginger said Bellevue is exceeding the targets and requirements of the Growth Management Act and offers a variety of housing options. He noted the Act does not prohibit a city from establishing its own zoning. Mr. Degginger said one of the largest areas identified by Futurewise has no transit service and is therefore not an appropriate area for increased density. Bellevue has chosen to target its development in the past 10 years in the downtown, where transit service and other urban amenities are available.

Noting that the City Council serves its constituents, Dr. Davidson is troubled by the activities of a non-elected board of an interest group to attempt to influence zoning within this community, particularly when Bellevue is exceeding its growth management targets. He feels the process is flawed and supports staff's recommendation to contest the appeal and pursue a legislative amendment. Dr. Davidson said City Councils are elected to be responsible for zoning within their communities.

Deputy Mayor Noble agreed that City Councils are elected by citizens to make zoning decisions and meet neighborhood needs. It is improper for an outside group to attempt to interfere in this process.

Responding to Mr. Noble, Mr. Terry said the development capacity of 516 residential units by 2012 that the City offered in its proposal would have exceeded the number of units to be achieved under the proposal sought by Futurewise. Futurewise is suggesting a rezone of

property. However, property can be rezoned and not developed for a number of reasons. Staff's proposal is more likely to lead to the development of housing units.

In further response to Mr. Noble, Mr. Terry said previous Growth Management Hearings Board cases have provided exceptions to the four-units-per-acre rule including equestrian zones and areas with significant environmental constraints.

Mr. Chelminiak noted that voters in 1990 overwhelmingly rejected Initiative 547, upon which most of the Growth Management Act is based, and supported local decision making instead. The Act focuses on balance and results. Bellevue has been effective in exceeding its growth targets and managing for balanced growth. Mr. Chelminiak said GMA addresses not only density but economic development, wildlife corridors, and the character of communities as well.

Responding to Mr. Chelminiak, Transportation Director Goran Sparrman explained that future grant funding from the state Transportation Improvement Board and federal sources could be jeopardized by the appeal. However, funds already committed are not affected. Funding could be adversely affected if the Puget Sound Regional Council chooses to not certify the Transportation Element of Bellevue's Comprehensive Plan in 2006.

Responding to Mr. Chelminiak, Mr. Terry said of the 230 vacant and redevelopable acres, much of it is already developed and 84 acres are vacant. Vacant areas are scattered throughout the city including private parcels in the Lakemont area and along the 140<sup>th</sup> Avenue corridor.

Mr. Chelminiak questioned Futurewise's logic to insist on rezoning areas that might produce 160 housing units while Bellevue's downtown development, including related transportation projects, generates densities of 100 units per acre.

Mayor Marshall would like staff to clarify the appeal process. She is concerned that any group can file an appeal and thereby jeopardize a city's transportation funding. Mrs. Marshall explained that the Comprehensive Plan process is a conversation with the community. She is concerned that a special interest group can effectively work outside of the system of elected officials working with their constituents. Bellevue citizens support the Comprehensive Plan and have not been given a voice in the process being pursued by a special interest group.

Ms. Balducci expressed support for the positions stated by her fellow Councilmembers. She noted Bellevue's many housing initiatives including the creation of affordable housing through projects with A Regional Coalition for Housing (ARCH).

Responding to Ms. Balducci, Director of Intergovernmental Relations Diane Carlson said Representative Clibborn is helping to develop a draft bill on this issue.

Responding to Mr. Degginger, Mr. Sparrman said staff is working to clarify Puget Sound Regional Council's certification process. While PSRC is limited to certifying the Transportation Element of the Comprehensive Plan, their policies include a reference to ensuring compatibility with the Land Use Element. Mr. Sparrman said PSRC is not obligated to follow decisions of the Growth Management Hearings Board, however.

# (c) Update on Overlake/Bel-Red Corridor Planning

[Due to extension of the Executive Session, this item was moved to the Regular Session and discussed with the City Manager's Report, Agenda Item 5.]

At 8:00 p.m., Mayor Marshall declared recess to the Regular Session.

Myrna L. Basich City Clerk

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